

OFFICE OF LEGISLATIVE RESEARCH
PUBLIC ACT SUMMARY



PA 14-124—HB 5140

Planning and Development Committee

Finance, Revenue and Bonding Committee

**AN ACT CONCERNING PROPERTY TAX RELIEF ON CERTAIN REAL
PROPERTY HELD IN TRUST**

SUMMARY: The law authorizes municipalities to provide property tax relief to qualifying homeowners who are seniors or have disabilities for real property they own and occupy as their principal residence. This act allows them to offer the tax relief to a qualifying resident who occupies, as his or her principal residence, a property held in trust for him or her.

EFFECTIVE DATE: October 1, 2014, and applicable to assessment years starting on or after that date.

BACKGROUND

Local Option Property Tax Relief Program for Senior or Disabled Homeowners

By law, to qualify for the tax relief, the homeowner must have been a taxpayer in the town for at least a year and (1) be at least age 65, (2) have a spouse living with him or her who is at least age 65, (3) be certified by the Social Security Administration as permanently and totally disabled, or (4) be at least age 60 and the surviving spouse of an eligible taxpayer. The homeowner must also meet the municipality's maximum allowable income requirements during the calendar year before the year he or she applies for the tax relief.

The overall amount of tax relief a municipality can provide is limited to no more than 10% of the total value of real property in the municipality in a given year. And the total value of tax relief a homeowner can receive under this and the tax freeze and circuit breaker programs cannot exceed his or her annual tax. The town may put a lien on the property for the amount of the tax relief, and must do so if the relief provided under all these programs combined is more than 75% of the tax owed (CGS § 12-129n).

OLR Tracking: RP:KM:JKL:am